

**T**he following Coordinator manual is a comprehensive guide to GIC benefit procedures. For easy reference, please file this in a three-ring binder. If you have any additional questions about GIC benefits or procedures, visit our website at [www.mass.gov/gic](http://www.mass.gov/gic), or call our Operations Department 617-727-2310 ext. 2.

GIC forms are on our website. Visit [www.mass.gov/gic/forms](http://www.mass.gov/gic/forms) for the latest forms.

**Please keep in mind that respecting the privacy rights of employees is imperative for all GIC Coordinators and that insurance coverage is protected information. Under no circumstances are you to give or solicit personal information about your employees, even with other agencies, including law enforcement personnel, without first checking with your agency's legal counsel. Doing so is a potential violation of state and federal law.**

Please remember to give all new employees and all employees at Annual Enrollment a *GIC Benefit Decision Guide*.



**Commonwealth of Massachusetts  
Group Insurance Commission**

*Your  
Benefits  
Connection*

**Group Insurance Commission  
P.O. Box 8747 • Boston, MA 02114-8747  
Phone: 617.727.2310 • TDD/TTY: 617.227.8583  
[www.mass.gov/gic](http://www.mass.gov/gic)**

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## PREMIUM DEDUCTIONS

All GIC premium deductions are taken one month in advance of coverage. Please update your payroll system accordingly.

## ENROLLMENT ELIGIBILITY AND EFFECTIVE DATES

Basic Life & Health, Optional Life, Long Term Disability (LTD), GIC Dental/Vision and HCSA

According to Massachusetts Law Chapter 32 A, the following employees are eligible for GIC benefits:

- ❖ Permanent employees, as outlined in CMR 1.02
- ❖ Employees must work at least 18.75 hours in a 37.5-hour workweek or 20 hours in a 40-hour workweek; employees who do not work the required number of hours and are not eligible for GIC benefits.

*New employees eligible for GIC benefits and who work full-time or part-time hours of at least 18.75 hours per 37.5-hour workweek or 20 hours per 40-hour workweek can enroll.*

New employee coverage begins on the first day of the month following 60 calendar days from the first date of employment, or two calendar months, whichever comes first.

Date of employment is from	Coverage begins on
Jan. 2- Feb. 1	April 1
Feb. 2 – March 2	May 1
March 3 – April 2	June 1
April 3 – May 2	July 1
May 3 – June 2	August 1
June 3 – July 3	September 1
July 4 – August 2	October 1
Aug. 3 – Sept. 2	November 1
Sept. 3 – Oct. 2	December 1
Oct. 3 – Nov. 2	January 1
Nov. 3 – Dec. 3	February 1
Dec. 4 – Jan. 1	March 1

Employees who do not enroll in basic life, basic life and health, optional life, LTD and GIC Dental/Vision when first eligible (see NEW HIRE Section) are subject to late enrollment and Annual Enrollment rules. See the corresponding sections for details.

If an employee loses health insurance elsewhere, he or she can enroll in GIC coverage at any time during the year with proof of involuntary loss of other coverage. An employee may not apply for late enrollment during their new hire waiting period. See LATE ENROLLMENT Section for late enrollment details.

Employees of authorities are not generally eligible for the GIC's Dental/Vision program. However, there are a small number of offline agencies that are eligible for this plan. See the DENTAL/ VISION ELIGIBILITY Section on page 3 for details.

# BENEFIT OPTIONS

## HEALTH PLANS

Employees and their families can choose from an array of health plans. Each employee's needs are different. It is important that you, the GIC Coordinator, learn about the similarities and differences among the plans and where the plans are available. Recommend that the employee research his/her options and obtain the following information before making a selection.

### QUESTION

Where you live determines which plan you are eligible for. Does the employee live in the service area?

Are the employee's doctors and hospitals in the plan

What is the monthly premium cost?

### RESOURCE

*Benefit Decision Guide*

Call the plan or visit its website

*Benefit Decision Guide*

See the *Benefit Decision Guide* for health plan options. These are distributed immediately before Annual Enrollment and are on the GIC's website.

## OTHER GIC BENEFITS

In addition to health care benefits, the GIC offers the following benefit programs. You and the employee should familiarize yourselves with these programs. Additional information is in the *Benefit Decision Guide* and on our website:

- ❖ Long Term Disability
- ❖ Basic Life Insurance
- ❖ Optional Life Insurance
- ❖ Dependent Care Assistance Program (DCAP)
- ❖ Health Care Spending Accounts (HCSA)
- ❖ Dental/Vision Program (see ELIGIBILITY Section)

# GIC DENTAL/VISION AND FSA ELIGIBILITY

## GIC DENTAL AND VISION ELIGIBILITY

The GIC Dental/Vision Program is for employees who are not covered by collective bargaining or do not have another Dental and/or Vision Plan, primarily managers, the Legislature, its staff, and certain Executive Office and MBTA staff. Employees of authorities, higher education, municipalities, and the Judicial Trial Court system are not eligible for GIC Dental/Vision coverage.

### Employees Are Not Eligible If They Are:

- ❖ Subject to collective bargaining
- ❖ Employed by an Authority
- ❖ Employed by Higher Education
- ❖ Employed by a Municipality
- ❖ Employed by the Judicial Trial Court system

### Employees Are Eligible If They:

- ❖ Work for the Commonwealth and are eligible for basic life or basic life & health insurance coverage provided by the GIC, and
- ❖ Are not otherwise eligible for dental and/or vision benefits pursuant to a separate appropriation; or
- ❖ Are not eligible for dental and/or vision benefits provided through the provisions of a contract; or
- ❖ Are not eligible for dental and/or vision benefits provided through the provisions of a collective bargaining agreement; or
- ❖ Are not eligible for dental and/or vision benefits provided in whole or in part through employer-provided funding.

## FLEXIBLE SPENDING ACCOUNTS (HCSA AND DCAP) AGENCY SET UP, ENROLLMENT GUIDELINES, ELIGIBILITY AND EFFECTIVE DATES

### Setting Up Your Agency for the Pre-Tax Flexible Spending Accounts (FSAs)

In order to set up your agency for the first time, contact the FSA carrier for instructions. The

FSA carrier has specific payroll file and funding requirements.

### FSA Enrollment Guidelines

The Health Care Spending Account (HCSA) and Dependent Care Assistance Program (DCAP) enrollment is on an annual basis from January to December. Open enrollment will take place in the fall of each year and employees must re-enroll each year. The HCSA, DCAP and program fee deductions are taken from the employee's pay on a pre-tax basis, reducing their federal and state income taxes. Employees can elect a pre-tax deduction of a minimum to a maximum amount noted on the HCSA/DCAP GIC Flexible Benefit Plan Enrollment Form and on the GIC website. Employees are allowed to enroll in HCSA/DCAP during open enrollment, as a new hire or with a change in status. All updates, including forms, brochures, new policies and minimum/maximum contributions for each plan year are available on the GIC website.

### Eligibility and Effective Dates

**HCSA:** Active state employees who work half-time or more and are eligible for health benefits with the GIC are eligible for HCSA. Enrollment in a GIC benefit plan is not required. The coverage effective date is the same as for health benefits.

**DCAP:** Active state employees who work half-time or more and have employment-related expenses for a dependent child under the age of 13 and/or a disabled adult dependent are eligible for DCAP. Employees can enroll in DCAP effective as of the date of hire.

## NEW HIRE ELECTIONS

New employees must make their benefit elections within ten (10) calendar days of the employee's first days of employment. You, as the GIC Coordinator, have 21 days to forward forms to the GIC. To select their benefits, employees must complete the following forms completely and legibly:

- ❖ Insurance Enrollment and Change Form (Form-1)
  - ❖ Beneficiary Designation Form 319 (one to three beneficiaries) or Nomination of Beneficiary Form G-500 (four or more beneficiaries or special designations such as estate or trust)
  - ❖ Insurance Data Form (IDF) for family coverage. Must also provide:
    - ◆ For spousal coverage – copy of marriage certificate. (Note: Due to differences between federal and state law, if an insured is covering a same sex spouse, the insured is subject to imputed income. Please advise the employee accordingly.)
    - ◆ For former spouse – provide following sections of the legal separation or divorce decree: page with absolute date, health insurance language, signature pages, and former spouse's address
    - ◆ For dependent coverage under age 19 – copy of birth certificate(s). Birth certificates must show parent-child relationship to the insured or his/her spouse.
    - ◆ For dependent coverage age 19 or over – Dependent Age 19 to 26 Enrollment form and a copy of birth certificate. For handicapped dependent coverage – Handicapped Dependent Application and a copy of birth certificate. Birth certificates must show parent-child relationship to the insured or his/her spouse.
  - ❖ GIC Dental and Vision Insurance Enrollment Form (Form-1) if eligible and elected. If family coverage is not elected for health insurance, but the employee wishes to have family dental/vision coverage, he/she must also submit a copy of a marriage certificate to cover a spouse and birth certificates to cover dependent children. See eligibility rules in the DENTAL/VISION ELIGIBILITY Section.
- NOTE:** Advise the new employee that if he/she does not elect optional life insurance coverage when first eligible or does not elect the maximum amount available, he/she may apply at any time thereafter, but will be required to provide proof of good health satisfactory to the life insurance carrier unless the employee has a qualified family status change (see LATE ENROLLMENT Section for details).
- NOTE:** Advise the new employee that if he/she does not elect Long Term Disability coverage when first eligible, he/she may apply at any time thereafter, but will be required to provide proof of good health satisfactory to the LTD carrier (see LATE ENROLLMENT Section for details).
- All new employees should automatically be enrolled in pre-tax health insurance deductions unless they opt out of participating. This is known as a Section 125 Plan. If the employee elects to opt out, he/she must complete the Pre-Tax Basic Life and Health Insurance Plan Election Not to Participate Form.
- After plan elections are made, complete the following:**
- 1) Verify that the forms are completed accurately and completely. Ensure that the employee has checked the information entered on his/her forms, and has signed and dated all forms.
- ❖ Employee Acknowledgement form
  - ❖ Health Insurance Responsibility Disclosure (HIRD) form – for employees who do not elect GIC health insurance
  - ❖ Health Care Spending Account/Dependent Care Assistance Program Enrollment form – if elected



- 2) On the Insurance Enrollment and Change Form (Form-1), indicate the agency/division number, the date entered state service and the employee's annual salary and effective date. Salary is defined as the salary earned in the employment of the agency but not including any overtime pay, travel reimbursement or travel expenses.
- 3) Photocopy completed GIC forms and file them in the employee's personnel file.
- 4) Give the employee a copy of the Employee Acknowledgement form and file the **original** in the employee's personnel file. **Do not send this form to the GIC.**
- 5) Send all other **original** signed forms to the GIC. If HCSA or DCAP is selected, send the form to the Flexible Spending Account carrier; **do not send this form to the GIC.**
- 6) Update your payroll system with the new premium deductions.

## NEW HIRES WHO DO NOT ELECT GIC HEALTH INSURANCE

If a new employee does not elect GIC health insurance, he/she must complete a Health Insurance Responsibility Disclosure (HIRD) form:

- 1) Fill in the lowest available monthly employee share of GIC health insurance individual coverage premium using the most current GIC rate sheet.
- 2) Verify that the employee has completed the form accurately and completely. If the employee refuses to complete the form, document efforts to obtain the information from the employee.
- 3) Retain all HIRD forms for three years and make them available to the Health Connector upon request. **Do not send the form to the GIC.**

## RETROACTIVE HEALTH INSURANCE EFFECTIVE DATE (B WAIVER)

If a new employee, or his/her covered dependent has no health coverage and **incurs unplanned**

**and urgent medical expenses during his/her new hire waiting period**, he/she may apply to buy GIC health coverage at the full cost premium for that period of time (60 or more days, depending on the date of hire). The total claims expenditure must exceed the full cost premium for the hiatus period. New employees who begin employment on the 16th day of a month or later will not be charged premium for that month; new employees who begin employment on or before the 15th day of a month shall be charged the full premium cost for the month. To apply for retroactive health insurance, the employee must write to the GIC's Director of Operations to request the coverage. **If approved**, coverage shall become effective as of the employee's first day of active employment, subject to his or her timely payment of the full cost health insurance premium for the entire hiatus period.

- 1) Provide to the employee a copy of his/her new hire Insurance Enrollment and Change Form (Form-1).
- 2) Instruct the employee to include the following information in their request to the GIC:
  - ◆ Employee's name
  - ◆ Employee's Social Security Number
  - ◆ Photocopy of new hire Insurance Enrollment and Change Form-1 (Form-1)
  - ◆ Dates of health care expenses
  - ◆ Photocopies of all incurred health care claims
  - ◆ Statement from the employee that he/she understand that he/she is responsible to pay the full cost premium for the entire new hire hiatus period
- 3) The GIC will notify the employee of the approval or denial of the application and, if approved, will bill the employee for the full cost premium owed.



# FAMILY STATUS CHANGES

## FAMILY TO INDIVIDUAL COVERAGE

If an employee is changing from family to individual coverage, follow the procedures below.

The employee must complete and sign the following.

### For health insurance:

- ❖ GIC Insurance Enrollment and Change Form (Form-1)

The employee must provide proof of where the spouse and/or dependents will be covered for health insurance before the changes will be allowed. Acceptable proof of other coverage for the spouse and/or dependents includes a copy of other health insurance card or a letter from the spouse's employer on their letterhead. Without this proof the GIC can deny the request for coverage change. In the case of death, a copy of the death certificate is required.

### For Dental/Vision:

- ❖ Dental and Vision Enrollment and Change Form (Form-1)

### For beneficiary change:

- ❖ Beneficiary Designation Form (Form 319) (one to three beneficiaries) or Nomination of Beneficiary Form G-500 (four or more beneficiaries or special designations such as estate and trusts)

### For all changes:

- 1) Verify that the forms above are completed accurately and completely. Ensure that both you and the employee have signed and dated all forms.
- 2) Update your payroll system with the new premium deductions.
- 3) Photocopy completed GIC forms and proof of other health coverage and file them in the employee's personnel file
- 4) Send **original** signed forms to the GIC along with the proof of other health coverage.

## INDIVIDUAL TO FAMILY COVERAGE

If the employee is changing from individual to family coverage, follow the procedures below. The employee must complete and sign the following:

### For health insurance:

- ❖ GIC Insurance Enrollment and Change (Form-1)
- ❖ Insurance Data Form (IDF)
  - ◆ For spousal coverage – copy of marriage certificate. (Note: Due to differences between federal and state law, if an insured is covering a same sex spouse, the insured is subject to imputed income. Please advise the employee accordingly.)
  - ◆ For former spouse – provide following sections of the legal separation or divorce decree: page with absolute date, health insurance language, signature pages, and former spouse's address.
  - ◆ For dependent coverage under age 19 – copy of birth certificate(s). The birth certificate must show parent-child relationship to the insured or his/her spouse.
  - ◆ For dependent age 19 to 26 – Dependent Age 19 to 26 Enrollment and Change Form and a copy of birth certificate. For handicapped dependent, a Handicapped Dependent Application and a copy of birth certificate. The birth certificate must show parent-child relationship to the insured or his/her spouse.
- ❖ Beneficiary Designation Form (Form 319 or G-500) – if requesting a change

A few of the GIC's offline agencies are eligible for GIC Dental/Vision. See the DENTAL/VISION ELIGIBILITY Section for details.

- ❖ Dental and Vision Enrollment and Change form – See DENTAL/VISION ELIGIBILITY Section on page 3 for details. If family coverage is not elected for health insurance, but the

employee wishes to have dental/vision coverage, he/she must also submit copies of the documents listed under the Insurance Data Form (IDF) above.

#### For all changes:

- 1) Verify that the forms are completed accurately and completely. Ensure that both you and the employee have signed and dated all forms.
- 2) Update your payroll system with the new premium deductions.
- 3) Photocopy completed GIC forms and file them in the employee's personnel file.
- 4) Send **original** signed forms to the GIC.

### ADDING A SPOUSE OR DEPENDENT

To add a spouse or dependent to health or dental/vision coverage, the insured must have family health or dental/vision coverage. If the insured does not have family coverage, refer to the procedure for Individual to Family Coverage Change.

If the insured already has family coverage, complete the following procedure:

1) Employee completes the following forms completely and legibly:

- ❖ Required only for a name change: Employee Insurance Enrollment and Change (Form-1). Be sure the insured completes the name change section in addition to the top of the form and signature.
- ❖ Insurance Data Form (IDF)
- ❖ Dependent Age 19 to 26 Form (if applicable)
- ❖ Handicapped Dependent Application (if applicable)
- ❖ Dental/Vision Enrollment and Change Form (Form-1) (if applicable)

2) Attach copies of marriage and birth certificates. For newborn coverage, an announcement letter from the hospital can be used if a birth certificate is not yet available. The birth certificate or hospital notice must show parent-child relationship to the insured or his/her spouse. Due to differences between federal and state law, if an insured is adding a same sex spouse, the insured is subject to imputed income. Please advise the employee accordingly.

3) Photocopy all forms and documentation and

file in the employee's personnel file.

4) Send **original** forms and the documentation to the GIC.

### REMOVING A SPOUSE OR DEPENDENT UNDER AGE 19 - RETAINING FAMILY COVERAGE

- 1) Employee completes the Insurance Data Form (IDF) checking off the deletion box and listing spouse's/dependent's name, date of birth, relationship to insured, and Social Security Number.
- 2) The employee must indicate the reason for the deletion, the effective date (this date cannot be retroactive), and include proof of other health coverage.
- 3) Photocopy the IDF form and proof of other health coverage and file in the employee's personnel file.
- 4) Send the **original** IDF form and proof of other health coverage to the GIC.

### REMOVING A DEPENDENT AGE 19 TO 26 – RETAINING FAMILY COVERAGE

- 1) Employee completes the Insurance Data Form (IDF) checking off the deletion box and listing the dependent's name, date of birth, relationship and Social Security Number.
- 2) The employee must indicate the reason for the deletion and effective date (this date cannot be retroactive)
- 3) Photocopy the IDF form and file in the employee's personnel file.
- 4) Send the **original** IDF form to the GIC.

### MOVING OUT OF A PLAN'S SERVICE AREA

If an employee moves out of or resides outside of a health plan's service area, he/she must change health plans. To process this change:

- 1) Have employee complete Insurance Enrollment and Change Form (Form-1) indicating their choice of new health plan.
- 2) Obtain from employee proof of address change, such as utility bill or Purchase and Sale agreement.

- 3) Photocopy forms and proof of address change and file them in employee's personnel file.
- 4) Send proof of address change and **original** signed Insurance Enrollment and Change Form (Form-1) to the GIC.
- 5) The GIC will determine the coverage effective date for this change. This date cannot be retroactive.

If an employee's covered spouse, former spouse and/or dependent(s) moves outside or resides outside of the employee's health plan's service area, the entire family must change health plans to a plan that will cover the employee and his/her dependents where they reside. (Only unmarried full-time students may reside outside of a health plan's service area.) Note that only UniCare/Basic is available throughout the country and outside of the U.S. To change the family's coverage to a new health plan:

- 1) Have employee complete the Insurance Enrollment and Change Form (Form-1) checking UniCare/Basic as their choice of a new health plan if that is the only plan available.
- 2) Obtain from the employee proof of the former spouse's address. For dependent age 19 to 26, have the employee complete a Dependent Age 19 to 26 Enrollment and Change Form indicating the dependent's address.
- 3) Photocopy forms and file in the employee's personnel file.
- 4) Send the **original** forms and proof of addresses to the GIC.
- 5) The GIC will determine the coverage effective date of this change.

## NAME AND ADDRESS CHANGES

The GIC must be notified of all enrollee name and address changes.

- 1) Complete the form on the employee's behalf, or instruct the employee to complete and sign Insurance Enrollment and Change Form (Form-1) with the employee's new name and/or address.
- 2) Review and sign Insurance Enrollment and

Change Form (Form-1).

- 3) Photocopy the form and file it in the employee's personnel file.
- 4) Send Enrollment and Change Form (Form-1) to the GIC.

## AGE CHANGE FOR OPTIONAL LIFE AND LTD RATES

The GIC sends each agency a report of all employees' age changes who have elected optional life insurance and/or Long Term Disability (LTD). The report is sent the month of their birthday(s) and includes the following information:

- ❖ Employee name
- ❖ GIC Identification Number
- ❖ Date of birth
- ❖ Age
- ❖ Old age band
- ❖ Old age band premium
- ❖ New age band
- ❖ New age band premium

Upon receipt of this report, update your payroll system to reflect the new amount of LTD and/or optional life insurance premium. The effective date of the new amount of optional life insurance and/or LTD coverage is the first date of the second month following the age change.

## CANCEL COVERAGE

For insureds who want to cancel their GIC life, Long Term Disability, dental/vision, and/or individual health insurance coverage:

- 1) Employee completes and signs GIC Insurance Enrollment and Change Form (Form-1) with appropriate cancel coverage box(es) checked. For dental/vision, the employee completes the Dental/Vision Form-1.
- 2) If the employee lives in Massachusetts and is canceling health insurance, the employee must also complete a Health Insurance Responsibility Disclosure (HIRD) form. The Coordinator fills in the lowest available monthly employee share of GIC health insurance individual coverage premium using the most current GIC rate

sheet on the HIRD form. If the employee refuses to complete the HIRD form, document efforts to obtain the information from the employee. Retain all HIRD forms for three years and make them available to the Health Connector upon request. **Do not send the form to the GIC.**

- 3) If the employee is withdrawing from health insurance and he/she has family coverage, the employee must provide proof of where spouse and/or dependents will be covered once GIC coverage is cancelled. Acceptable proof examples: a copy of the health insurance card or a letter from the spouse's employer on their letterhead. Without this proof, the GIC can deny the request to withdraw from coverage.
- 4) Review and sign Insurance Enrollment and Change Form (Form-1) and Dental/Vision Form-1, if applicable.
- 5) Update your payroll system deductions.
- 6) Photocopy Insurance Enrollment and Change Form (Form-1) and Dental/Vision (Form-1), if applicable, and proof of other coverage (if applicable) and file in employee's personnel file.
- 7) Send **original** Insurance Enrollment and Change Form (Form-1) and Dental/Vision Form-1, if applicable, and proof of other coverage (if applicable) to the GIC.
- 8) The GIC will mail to the insured's home a HIPAA Notice that includes a Notice of Creditable Coverage indicating the coverage end date.

## DIVORCE AND LEGAL SEPARATION

In accordance with Massachusetts Laws MGL-32A Section 11a, the GIC must be informed of all legal separations and divorces if the insured is covering his/her spouse or former spouse. Failure to notify the GIC will result in financial consequences to the employee and/or former spouse. Collect from the employee the former spouse's address and copies of the following sections of the legal separation agreement or divorce decree:

- ❖ Page with absolute date
- ❖ Health insurance language

## ❖ Signature pages

Forward these documents to the Director of Operations at the GIC.

## REMARRIAGE

If an insured is covering a former spouse on his/her health plan and/or GIC dental plan and the employee or former spouse remarries, the GIC must be notified. Inform the employee that if either the employee or former spouse remarries, in accordance with Massachusetts Laws MGL-32A Section 11a, GIC health coverage for the former spouse ends. *Failure to report a remarriage will result in financial consequences to the employee or former spouse.*

For Remarriage of an Employee or Former Spouse:

- 1) Instruct the employee to send the remarriage date in writing to the Director of Operations at the GIC.
- 2) If adding a new spouse, see ADDING A SPOUSE OR DEPENDENT for procedure details.

## HANDICAPPED DEPENDENT COVERAGE

Insureds who have an unmarried child who is physically disabled and incapable of earning his/her own living as of the age of 19 may apply for Handicapped Dependent Coverage for their child. Family coverage is required.

- 1) Give the employee the Handicapped Dependent Application.
- 2) The employee and dependent's physician must complete the application and send it to the GIC.
- 3) The GIC will review the application for eligibility and will notify the insured of its decision.
- 4) The GIC sends periodic re-certification forms for continuation of handicapped dependent coverage to the employee.

If the child is not eligible for Handicapped Dependent coverage and is under age 26 and over age 18, he/she will be covered as a dependent age 19 to 26.

## DEPENDENT TURNING AGE 19

Under the Affordable Care Act, an insured's child, stepchild, adopted child and eligible foster child will automatically continue health and dental coverage up to the last month the dependent turns age 26 as long as the insured has family coverage. All members of the GIC family plan must reside in the health plan's service area, unless the dependent is a full-time student. The GIC sends a questionnaire to insureds who have a covered dependent turning age 19. The insured only needs to complete and return the questionnaire if the dependent lives outside of the health plan's service area or is a full-time student living outside of the health plan's service area.

If the dependent is not the child, stepchild, adopted child or eligible foster child, he or she may be eligible for coverage under Massachusetts Health Reform up to age 26 or two years after the losing dependent status under IRS rules, whichever occurs first. The insured must contact the GIC at extension 5 for a Massachusetts Health Care Reform Dependent Application in order to apply.

If the insured wishes to cover the child of a dependent who is age 19 or over, the insured may only cover both the dependent age 19 to 26 and the dependent's child under Massachusetts Health Care Reform. They will provide coverage for the child and dependent age 19 to 26 up to when the dependent turns age 26 or two years after loss of IRS dependent status, whichever occurs first. Instruct the insured to contact the GIC at extension 5 for the Massachusetts Health Care Reform Dependent Application. Attach a copy of the IDF form and the birth certificate for the child of the dependent and send with the application to the GIC.

## PRE-TAX PREMIUM DEDUCTIONS

If an employee has one of the following qualifying events, he/she may opt out of pre-tax basic life and health insurance premium deductions:

- ❖ Marriage or divorce
- ❖ Birth or adoption of a child
- ❖ Spouse or dependent dies
- ❖ Spouse commences or is terminated from employment
- ❖ Employee or spouse takes an unpaid leave of absence
- ❖ Employee involuntarily loses health insurance through no fault of his/her own

### To process these changes:

- 1) The employee completes and signs the Pre-Tax Basic Life and Health Insurance Plan Election Not to Participate Form.
- 2) The form is forwarded to the agency's payroll department. The payroll person updates the payroll system to reflect the employee's pre-tax change election.
- 3) File the **original** form in the employee's personnel file. **Do not send forms to the GIC.**



## HOURS REDUCED TO LESS THAN PART-TIME

If an employee falls below 18.75 hours in a 37.5-hour workweek or 20 hours in a 40-hour workweek, the employee is no longer eligible for most GIC benefits. GIC Health, Life, Long Term Disability, HCSA, and/or Dental/Vision coverage will end at the end of the following month as long as the premiums are paid. The employee may elect to continue health coverage through COBRA, Non-Group Conversion or the Massachusetts Health Connector.

Give the employee information on your agency's Section 125 Plan coverage and give the employee a Health Insurance Responsibility Disclosure (HIRD) form:

- 1) Fill in the lowest available monthly employee share of GIC health insurance individual coverage premium using the most current GIC rate sheet.
- 2) Verify that the employee has completed the form accurately and completely. If the employee refuses to complete the form, document efforts to obtain the information from the employee.
- 3) Retain all HIRD forms for three years and make them available to the Health Connector upon request. **Do not send the form to the GIC.**
- 4) Update your payroll system to stop all GIC life, health, LTD, Dental/Vision, and HCSA premium deductions.

## HOURS REINSTATED TO PART-TIME OR MORE

If an employee resumes at least part-time status (18.75 hours in a 37.5-hour workweek or 20 hours in a 40-hour workweek) after his/her GIC coverage has been terminated, the employee is considered a new hire. He/she is subject to the new hire waiting period beginning on the date he/she resumes half to full-time status. Follow the *NEW HIRE Section*. If an employee resumes

at least part-time status before the coverage termination date, coverage will continue uninterrupted.

## SALARY CHANGE

If an employee's salary changes and he or she has elected LTD and/or optional life insurance with automatic increase ensure that the following procedures take place.

- 1) Complete and sign GIC Insurance Enrollment and Change Form (Form-1) on behalf of the employee indicating the new salary and salary effective date.
- 2) Verify that the form is completed accurately and completely.
- 3) Photocopy Insurance Enrollment and Change Form (Form-1) and file in employee's personnel file.
- 4) Send **original** Insurance Enrollment and Change Form (Form-1) to the GIC.
- 5) Update your payroll system to reflect the new amount of LTD and/or optional life insurance premium. The effective date of the new amount of optional life insurance and/or LTD coverage is the first date of the second month following the salary change. In the case of a retroactive salary increase, you as the GIC Coordinator determines the effective date based on when you can start the new optional life and/or LTD premium deduction.
- 6) Review your monthly insurance billing report for those employees that have LTD and/or optional life insurance coverage to be sure the coverage amounts are in accordance with the employee's salary.

## OPTIONAL LIFE INSURANCE REDUCTION

If an employee requests a reduction in optional life insurance:

- 1) Employee completes and signs GIC Insurance Enrollment and Change Form (Form 1).

- 2) Review and sign Insurance Enrollment and Change Form (Form-1).
- 3) Enter the new life insurance premium into your payroll system. The effective date of the new amount of life insurance is the first day of the second month following the employee's deduction request.
- 4) Photocopy Insurance Enrollment and Change Form (Form-1) and file in the employee's personnel file.
- 5) Send **original** Insurance Enrollment and Change Form (Form-1) to the GIC.

## AGENCY TRANSFER

When an employee transfers from one state agency to another or a GIC participating municipality, complete the following:

- 1) Complete GIC Insurance Enrollment and Change Form (Form-1) on behalf of the employee:
  - ❖ If employee is transferring to another agency or participating municipality, check box 7 and indicate the name of the agency/municipality the employee is transferring to and the effective date.
  - ❖ If the employee is transferring from another state agency/municipality, check box 8 and indicate the name of the agency/municipality the employee is transferring from and the date.
- 2) Update your payroll system to stop or begin the appropriate GIC premium deductions for the GIC coverage in force at the time of the transfer. **Note that employees are not allowed to change health plans at the time of transfer, unless the employee is moving outside of a health plan's service area.**
- 3) Photocopy completed Insurance Enrollment and Change Form (Form-1) and file in the employee's personnel file.
- 4) Send **original** Insurance Enrollment and Change Form (Form-1) to the GIC.
- 5) The effective date of the transfer is the first day of the second month following the transfer as long as the GIC has been notified with the Form-1.

## POSITION CHANGE GIC DENTAL/VISION

See the GIC DENTAL/VISION ELIGIBILITY *Section* before completing the following process.

Personnel changes affect GIC Dental/Vision eligibility, effective dates, and terminations.

**If a union employee changes to a management position, complete the following:**

- 1) Complete the Dental/Vision Enrollment and Change Form (Form-1). The effective date will be the first of the second month following the position change as long as the GIC has been notified with the Dental/Vision (Form-1).
- 2) Enter the new dental/vision premium in your payroll system
- 3) Photocopy and file the Dental/Vision (Form-1) in the employee's personnel file.
- 4) Send the **original** GIC Dental/Vision (Form-1) to the GIC.

**If a management employee changes to a union position, complete the following:**

- 1) Complete the GIC Dental and Vision Enrollment and Change Form (Form-1) on behalf of the employee, completing the termination section. List position change (management to union) as the termination reason and indicate the termination effective date. The effective date will be the first day of the second month following the position change.
- 2) Photocopy and file the Dental/Vision (Form-1) in the employee's personnel file.
- 3) Send **original** GIC Dental and Vision Enrollment and Change Form (Form-1) to the GIC.



## BASIC LIFE AND HEALTH INSURANCE

An employee must provide you with proof of involuntary loss of health coverage elsewhere to be eligible to enroll in GIC basic life and health coverage at any time during the year, other than during Annual Enrollment. An employee may not apply for late enrollment during their new hire waiting period. Examples of acceptable proof of loss of other coverage include:

- ❖ Letter from health insurance carrier on company letterhead, or
- ❖ Letter from other employer on company or organization letterhead.

To add GIC basic life and health coverage during the year, include a copy of the proof of loss of coverage with the forms sent to the GIC.

### Basic Life and Health late enrollment procedure:

- 1) Employee must complete the following forms completely and legibly:
  - ❖ Insurance Enrollment and Change Form (Form-1)
  - ❖ Insurance Data Form (IDF) for family coverage. Must also provide:
    - ◆ For spousal coverage – copy of marriage certificate
    - ◆ For former spouse – provide following sections of the legal separation or divorce decree: page with absolute date, health insurance language, signature pages, and former spouse's address
    - ◆ For dependent coverage under age 19 – copy of birth certificate(s) – the birth certificate must show parent-child relationship to the insured or his/her spouse.
    - ◆ For dependent coverage age 19 or over – Dependent Age 19 to 26 Enrollment form and a copy of birth certificate or, for handicapped dependent coverage – Handicapped Dependent Application and a copy of birth certificate
    - ◆ Beneficiary Designation Form (Form 319 or G-500)

- 2) Verify that the forms are completed accurately and completely. Ensure that the employee has checked the information entered on his/her forms, and has signed and dated all forms.
- 3) On the Insurance Enrollment and Change Form (Form-1), be sure to indicate the agency/division number, date of hire and annual salary.
- 4) Photocopy completed GIC forms and copy of proof of involuntary loss of health coverage and file them in the employee's personnel file.
- 5) Send the **original** signed forms to the GIC along with the proof of involuntary loss of health coverage.
- 6) If the GIC approves the late enrollment, we will advise you of the effective date.
- 7) If approved, update your payroll system with the new premium deductions.

## OPTIONAL LIFE

For employees enrolling in Optional Life Insurance after their **original** eligibility within 10 days of hire or changing from non-automatic to automatic increase or increasing multiple factor when there is a non-qualifying family status change are subject to proof of good health satisfactory to the life insurance carrier. To apply for coverage:

- 1) Instruct the employee to complete and sign Insurance Enrollment and Change Form (Form-1). If the employee wishes to change his/her beneficiary(ies) the employee must also complete Form 319 (one to three beneficiaries) or Form G-500 (four or more beneficiaries).
- 2) Review forms for completeness.
- 3) Photocopy forms and file in employee's personnel file.
- 4) Send **original** Insurance Enrollment and Change Form (Form-1) and Beneficiary Form, to the GIC.
- 5) The GIC will notify the life insurance carrier, which will send the employee a Medical Evidence of Insurability

application. If the employee does not return the medical evidence of insurability, their file will be closed.

- 6) If approved, the GIC will advise you and the employee of the effective date.
- 7) If approved, update your payroll system with the new premium deductions.

## OPTIONAL LIFE FAMILY STATUS CHANGE

Employees enrolling in Optional Life Insurance after their **original** eligibility (within 10 days of hire) have an opportunity to enroll without proof of good health when there is a qualifying family status change. Active employees have the option of enrolling in or increasing coverage in Optional Life Insurance up to four times salary **as long as the GIC receives documentation within 31 days of the event:** marriage, birth/adoption, legal separation, divorce or death of spouse. **Forms and documentation received at the GIC after the 31-day window will be denied.**

- 1) Instruct the employee to complete and sign Insurance Enrollment and Change Form (Form-1) and provide proof of the qualified family status change: marriage certificate, birth certificate, adoption placement letter, legal separation/divorce agreement, or death certificate of spouse. If the employee wishes to change his/her beneficiary(ies) the employee must also complete Form 319 (one to three beneficiaries) or Form G-500 (four or more beneficiaries).
- 2) Review forms for completeness.
- 3) Photocopy forms and proof of family status change and file in employee's personnel file.
- 4) Send **original** Insurance Enrollment and Change Form (Form-1), proof of family status change, and Beneficiary Form to the GIC within 31 days of the qualifying event.
- 5) If approved, the GIC will advise you and the employee of the effective date.
- 6) If approved, update your payroll with the new premium deduction.

## LONG TERM DISABILITY

Employees enrolling in Long Term Disability after their **original** eligibility (within 10 days of hire) are subject to proof of good health satisfactory to the LTD carrier. To apply for coverage:

- 1) Employee must complete and sign the GIC's Enrollment and Change Form (Form-1).
- 2) Sign the GIC's Enrollment and Change Form (Form-1) and review for completeness.
- 3) Copy Form-1 and file in the employee's personnel file.
- 4) Send **original** Form-1 to the GIC.
- 5) The GIC will notify the LTD carrier of the pending application.
- 6) The LTD carrier will send the employee a medical application to complete and return. If the employee does not return the medical evidence of insurability, their file will be closed.
- 7) If approved, the GIC will advise you and the employee of the effective date.
- 8) If approved, update your payroll system with the new premium deduction.

## GIC DENTAL/VISION

A few of the GIC's offline agencies are eligible for GIC Dental/Vision. See the DENTAL/VISION ELIGIBILITY Section for details.

An employee must provide you with proof of involuntary loss of dental care coverage elsewhere to be eligible to enroll in GIC dental care coverage at any time during the year, other than during Annual Enrollment. Examples of acceptable proof of loss of other coverage include:

- ❖ Letter from dental insurance carrier on company letterhead, or
- ❖ Letter from other employer on company or organization letterhead.

An employee may not apply for late enrollment during their new hire waiting period.

To add GIC dental/vision coverage because of involuntary loss of dental care coverage elsewhere, you must include a copy of the proof of loss of coverage with the forms sent to the GIC. The GIC will determine eligibility and the effective

date of coverage and will advise of the effective date to start new premium deduction.

### To add GIC Dental/Vision coverage during the year with proof of loss of coverage:

- 1) Employees must complete the GIC Dental and Vision Enrollment and Change Form (Form-1).
- 2) For family coverage, employees must also submit a copy of a certified marriage certificate to cover a spouse and birth certificates to cover dependent children if these are not already on file for GIC health coverage. Birth certificates must show parent-child relationship to the insured or his/her spouse.
- 3) Review for completeness and be sure to indicate the agency/division number and date of hire on the Dental and Vision Enrollment and Change Form (Form-1).
- 4) Photocopy the GIC Dental and Vision Enrollment and Change Form (Form-1) and file in the employee's personnel file.
- 5) Send the **original** GIC Dental and Vision Enrollment and Change Form (Form-1), the proof of loss of coverage elsewhere, and a copy of the marriage certificate/birth certificate (if applicable) to the GIC.
- 6) If approved, the GIC will advise you and the employee of the effective date.
- 7) If approved, update your payroll with the new premium deduction.

## FLEXIBLE SPENDING ACCOUNTS (HCSA AND DCAP)

Employees may during the year enroll in HCSA/DCAP, change their contribution, or terminate their election if there is a change in status according to IRS guidelines listed below. If you are unsure whether an event qualifies as an IRS-qualified event, contact the FSA carrier:

- ❖ Change in legal marital status.
- ❖ Change in number of dependents.
- ❖ Change in employment status.
- ❖ Change in work schedule which changes eligibility for the program.
- ❖ Dependent satisfies or ceases to satisfy eligibility requirements.

- ❖ Judgment, decree or order pertaining to child or spouse.

Please note that the qualifying event must correspond with the change in election (i.e. marriage constitutes an increase in election; divorce constitutes a decrease in election).

### To process a change in status:

- 1) Instruct the employee to complete, sign and date the HCSA/DCAP GIC Flexible Benefit Plan Enrollment Form. See the direct deposit instructions on the form.
- 2) Complete the Payroll Coordinator *Section* of the form. Indicate your Agency/Division number (999XXXX).
- 3) Obtain from the employee a document establishing a change in status. Acceptable proof includes a marriage or birth certificate or a letter from an employer stating that coverage has been terminated.
- 4) Enter the HCSA/DCAP and pre-tax fee amounts into your payroll system.
- 5) Send the **original** of the completed and signed form to the FSA carrier. **Note:** Failure to send a form to the FSA carrier will result in an employee not receiving reimbursement for an eligible HCSA and/or DCAP expense.
- 6) File a copy of the application in the employee's personnel file. **Do not send forms to the GIC.**

### Complete the following payroll process:

Each pay period, a HCSA/DCAP Payroll Deduction Report is sent to the payroll coordinator **five days** prior to the actual pay date for your agency. The HCSA/DCAP Payroll Deduction Report contains specific information for each employee:

- ◆ Identifier (a unique number used to identify the participant)
- ◆ Participant Name
- ◆ Plan Name (HCSA and/or DCAP)
- ◆ Pay Period Deduction Amount
- ◆ Total Pay Period Deduction (aggregate total for the participant)

In order to report participant changes to the HCSA/DCAP Payroll Deduction Report to the FSA carrier, you must complete the GIC Offline Payroll Deduction Report Change Form. You will receive a blank change form with your agency report. You must complete every column to report a discrepancy with the payroll deduction report:

- ◆ Identifier (a unique number used to identify the participant)
- ◆ SSN (last 4)
- ◆ Participant Last Name
- ◆ Participant First Name
- ◆ Plan Name (HCSA or DCAP)
- ◆ Division Code
- ◆ Plan Start Date
- ◆ Plan End Date
- ◆ Election
- ◆ Prior Per Pay Period Deduction Amount
- ◆ New Per Pay Period Deduction Amount
- ◆ Payroll Date
- ◆ Reason For Change

#### To process a payroll change:

1) The FSA carrier must receive one of the following at [gicpayrolls@benstrat.com](mailto:gicpayrolls@benstrat.com) at least **three days** prior to the actual pay date:

- ◆ An email indicating “HCSA/DCAP Payroll Deduction Report for agency 999 XXXX (include your division number) is accurate and complete”. This should be the default if there are no changes required to the HCSA/DCAP Payroll Deduction Report, or
- ◆ If the HCSA/DCAP Payroll Deduction Report is not accurate and changes are required, then any and all changes must be reported on the GIC Offline Payroll Deduction Report Change Form.

If you will be out on vacation or away for submission of this report, please be sure someone else from your agency completes and sends the accurate complete or Deduction Report. If the FSA carrier does not receive either “HCSA/DCAP Payroll Deduction Report is accurate and complete” email or GIC Offline Payroll Deduction Report Change Form, all participant accounts in your agency will be placed on hold. **This means that no claims will be paid and HCSA debit cards will be suspended.**

2) If a GIC Offline Payroll Deduction Report Change Form needs to be completed, file a copy of the form in the employee’s personnel file. **Do not send the form to the GIC.**

Please note that a GIC Flexible Plan Enrollment Form is required to be submitted for all qualifying events within 30 calendar days of the event date. It is not sufficient to only report them as a payroll change.

# ANNUAL AND OPEN ENROLLMENT

If an employee is not currently enrolled in GIC coverage and wants to do so, complete the following and send to the GIC during the Annual Enrollment period.

## BASIC LIFE ONLY ENROLLMENT

Employees who want to enroll in basic life insurance must do so within 10 days of hire. After this initial eligibility period, employees wishing to enroll may do so only during Annual Enrollment. To enroll:

- 1) Instruct the employee to complete and sign Insurance Enrollment and Change Form (Form-1) and Beneficiary Designation Form 319 (one to three beneficiaries) or Nomination of Beneficiary form G-500 (four or more beneficiaries or special designations e.g. estate and trust).
- 2) Review the form for completeness, and be sure that the date of hire and annual salary are completed before signing the form.
- 3) Enter the basic life premium deduction into your payroll system.
- 4) Photocopy completed GIC forms and file them in the employee's personnel file.
- 5) Send the **original** Insurance Enrollment and Change Form (Form-1) and Beneficiary form to the GIC by the Annual Enrollment deadline.

## LIFE AND HEALTH INSURANCE ENROLLMENT

If an employee is not currently enrolled in GIC life and health insurance coverage, complete the following to enroll during Annual Enrollment:

- 1) To select basic life and health benefits, employees must complete the following forms completely and legibly.
  - ❖ Insurance Enrollment and Change Form -Form 1
  - ❖ Beneficiary Designation Form 319 (one to three beneficiaries) or Nomination of Beneficiary form G-500 (four or more beneficiaries or special designations e.g. estate and trust).

- ❖ Insurance Data Form (IDF) for family coverage. Must also provide:
  - ◆ For spousal coverage – copy of marriage certificate.
  - ◆ For former spouse – provide following sections of the legal separation or divorce decree: page with absolute date, health insurance language, signature pages, and former spouse's address.
  - ◆ For dependent coverage under age 19 – copy of birth certificate(s). The birth certificate must show the parent-child relationship to the insured or his/her spouse.
  - ◆ For dependent coverage age 19 or over – Dependent Age 19 to 26 Enrollment form and a copy of the birth certificate. For a handicapped dependent, a Handicapped Dependent Application and copy of birth certificate. The birth certificate must show the parent-child relationship to the insured or his/her spouse.
- 2) Verify that the forms above are completed accurately and completely. Ensure that the employee has checked the information entered on his/her forms, and has signed and dated all forms. Be sure to indicate date of hire and annual salary.
- 3) Enter life and health insurance deductions into your payroll system.
- 4) Photocopy completed GIC forms and file them in the employee's personnel file.
- 5) Send all other **original** signed forms to the GIC.
- 6) If the employee has also elected optional life insurance, the GIC will notify the life insurance carrier to send the employee a Medical Evidence of Insurability Application to complete and return. If the employee does not return the medical evidence of insurability, their file will be closed.
- 7) If the medical application is approved, the GIC will advise you and the employee. At



this time, update your payroll system with the new optional life payroll deduction.

The employee should be automatically enrolled in pre-tax health insurance deductions unless he/she opts out of participating. This is known as a Section 125 Plan.

## HEALTH INSURANCE CHANGES

During Annual Enrollment, employees may change their health plan. The change will go into effect that July 1.

For employees already in a GIC plan who wish to change plans during Annual Enrollment:

- 1) Employee completes and signs Insurance Enrollment and Change Form (Form-1).
- 2) Verify that the forms above are completed accurately and completely. Ensure that you and the employee have signed and dated all forms.
- 3) Enter the new health plan premium deduction into your payroll system.
- 4) Photocopy completed GIC forms and file them in the employee's personnel file.
- 5) Send **original** signed forms to the GIC by the Annual Enrollment deadline.

## BUY-OUT

The Health Insurance Buy-Out option is available two times during the year: the spring Annual Enrollment and during a special fall enrollment period for coverage effective July 1 and January 1, respectively. Employees insured with the GIC for health coverage on January 1 (or July 1 for the fall enrollment) of the current year, and who are still insured for health coverage with the GIC, and have comparable non-state coverage elsewhere may elect to participate in the Buy-Out program.

Employees who cancel their health plan outside of these two enrollment periods are not eligible for the buyout. The benefit is limited to twelve (12) taxable monthly payments. The payments equal 25% of the current full-cost premium for the Plan in which the employee is enrolled, based on the type of coverage (individual or family) the employee had on January 1 for the spring Annual Enrollment

period (or July 1 for the fall enrollment) of the current year. The employee must continue to maintain basic life insurance coverage.

Employees who buyout in the spring will receive their first buyout check in August. Employees who buyout in the fall will receive their first buyout check in February. The Buy-Out form is available on the GIC's website during the enrollment periods.

### To apply for the Buy-Out:

- 1) Employee completes and signs Buy-Out form.
- 2) Review this form for completeness
- 3) Photocopy completed form and file in the employee's personnel file.
- 4) Send **original** completed form to the GIC's Operations Department by the end of the enrollment period.
- 5) Update your payroll system to remove the health insurance deduction.

## PRE-TAX HEALTH INSURANCE PREMIUMS

During Annual Enrollment, or anytime during the year due to a family status change, employees may elect to opt in or out of pre-tax premium deductions. Qualifying family status changes include: marriage, legal separation, divorce, birth or adoption of a child, death of a spouse or dependent, spouse commences or is terminated from employment, employee or spouse takes unpaid leave of absence, or employee loses health insurance elsewhere through no fault of the employee.

**Opt-in:** Employees who elected not to participate in the pre-tax program may elect to participate. There are no GIC enrollment/change forms to be completed to enroll in the Pre-tax program. The employee must see his/her payroll department and inform them of his/her decision to have his/her deductions made on a pre-tax basis. The payroll person updates the payroll system to reflect the employee's pre-tax change election.

**Opt-out:** Employees who participate in the pre-tax program may elect not to participate.

- 1) The employee completes and signs the Pre-Tax Health Insurance Election Not to Participate form.
- 2) Forward the form to your agency's payroll department. The payroll person updates the payroll system to reflect the employee's pre-tax change election.
- 3) File the **original** form in the employee's personnel file. **Do not send the form to the GIC.**
- 2) Photocopy Insurance Enrollment and Change Form (Form-1) and file it in the employee's personnel file.
- 3) Send the **original** signed Insurance Enrollment and Change Form (Form-1) to the GIC.
- 4) Update your payroll system with the new premium deduction.

## EMPLOYEES WITHOUT HEALTH COVERAGE WHO DO NOT ENROLL DURING ANNUAL ENROLLMENT

If an employee does not elect health insurance during the GIC's Annual Enrollment or during Your Agency's Section 125 Plan Open Enrollment, he/she must complete a Health Insurance Responsibility and Disclosure (HIRD) form.

- 1) Fill in the lowest available monthly employee share of GIC health insurance individual coverage premium using the most current GIC rate sheet.
- 2) Verify that the employee has completed the form accurately and completely. If the employee refuses to complete the form, document efforts to obtain the information from the employee.
- 3) Retain all HIRD forms for three years and make them available to the Health Connector upon request. **Do not send the form to the GIC.**

## OPTIONAL LIFE SMOKER STATUS

Insureds with Optional Life Insurance who have been tobacco-free for at least the past 12 months (have not smoked cigarettes, cigars, or pipes, nor used snuff or chewing tobacco) are eligible to apply for reduced optional life insurance rates during Annual Enrollment. The reduced Optional Life Insurance rate will be effective that July 1.

- 1) Instruct the employee to complete and sign Insurance Enrollment and Change Form (Form-1) during Annual Enrollment, indicating he/she is a non-smoker and has been tobacco free for the past twelve months.

## OPTIONAL LIFE INSURANCE

Employees may apply to enroll in optional life insurance or to increase their coverage up to eight times salary during Annual Enrollment or anytime during the year.

### To apply:

- 1) Employee must complete and sign the GIC's Insurance Enrollment and Change Form (Form-1).
- 2) Sign the GIC's Insurance Enrollment and Change Form (Form-1) and review for completeness.
- 3) Copy Insurance Enrollment and Change Form (Form-1) and file in the employee's personnel file.
- 4) Send **original** Insurance Enrollment and Change Form (Form-1) to the GIC.
- 5) The GIC will notify the life insurance carrier of the application.
- 6) The life insurance carrier will send a medical application to the employee to complete and return. If the employee does not return the Medical Evidence of Insurability, their file will be closed.
- 7) The GIC will notify the employee and the GIC Coordinator of the carrier's decision and effective date, if approved.
- 8) If approved, enter the new payroll deduction into your payroll system.

## LONG TERM DISABILITY

Employees may apply for Long Term Disability at Annual Enrollment or anytime during the year.

### To apply:

- 1) Employees must complete and sign the GIC's Insurance Enrollment and Change Form (Form-1).



- 2) Sign the GIC's Insurance Enrollment and Change Form (Form-1) and review for completeness.
  - 3) Copy Insurance Enrollment and Change Form (Form-1) and file in the employee's personnel file.
  - 4) Send **original** Form-1 to the GIC.
  - 5) The GIC will notify the LTD carrier of the application.
  - 6) The LTD carrier will send the employee a medical application to complete and return. If the employee does not return the Medical Evidence of Insurability, their file will be closed.
  - 7) If approved, the GIC will notify the employee and the GIC Coordinator of the effective date.
  - 8) If approved, enter the LTD premium deduction into your payroll system.
- 3) Review Dental and Vision Enrollment and Change Form (Form-1) for completeness and be sure to indicate the date of hire and the agency/division number on the Dental and Vision (Form-1).
  - 4) Enter the dental/vision premium deduction in your payroll system.
  - 5) Photocopy the GIC Dental and Vision Enrollment and Change Form (Form-1) and file in the employee's personnel file.
  - 6) Send the **original** GIC Dental and Vision Enrollment and Change Form (Form-1) and a copy of the marriage certificate/birth certificate (if applicable) to the GIC by the Annual Enrollment deadline.

## GIC DENTAL/VISION

A few of the Offline Agencies are eligible for the GIC Dental/Vision Plan. See the *ELIGIBILITY Section* on page 3 for details. Eligible employees who did not enroll in the GIC's Dental/Vision plan when first eligible may do so during Annual Enrollment for coverage effective July 1. Employees currently enrolled can elect to change the dental portion of their dental/vision plan from the Indemnity Dental Plan to the PPO Dental Plan, or vice versa.

Employees enrolled in the GIC's Dental/Vision Plan who voluntarily withdraw from the plan or terminate for non-payment of premium may re-enroll in the plan during the next Annual Enrollment following 24 months from the date coverage ended.

### To Enroll in a Plan:

- 1) Employees must complete the GIC Dental and Vision Enrollment and Change Form (Form-1).
- 2) For family coverage, employees must also submit a copy of a marriage certificate to cover a spouse and birth certificates to cover dependent children if these are not already on file for GIC health coverage.

### To Change Dental Plans:

- 1) Employees must complete the GIC Dental and Vision Enrollment and Change Form (Form-1).
- 2) Review and complete the agency/division number on the Dental and Vision Enrollment and Change Form (Form-1).
- 3) Enter the dental/vision deduction in your payroll system.
- 4) Photocopy the GIC Dental and Vision Enrollment and Change Form (Form-1) and file in the employee's personnel file.
- 5) Send the **original** GIC Dental and Vision Enrollment and Change Form (Form-1) to the GIC by Annual Enrollment deadline.

## FLEXIBLE SPENDING ACCOUNTS (HCSA AND DCAP)

HCSA and DCAP enrollment is on a calendar, not fiscal, year basis (January 1 - December 31). This program has an open enrollment, meaning participants must re-enroll each year.

### Existing Enrollees:

- 1) During open enrollment, current enrollees should re-enroll online on the FSA carrier's website (see the forms section of the GIC's website for links). The employee must print, sign and date the online confirmation page and give it to the payroll office.

- 2) Enter the HCSA/DCAP and pre-tax fee amounts into your payroll system.
- 3) File a copy of the online confirmation page in the employee's personnel file. **Do not send re-enrollment forms to the GIC or the FSA carrier.**

### NEW ENROLLEES:

- 1) Instruct the employee to complete, sign and date the HCSA/DCAP GIC Flexible Benefit Plan Enrollment Form. See the Direct Deposit Instructions on form.
- 2) Complete the Payroll Coordinator section of the form. Indicate your Agency/Division number (999XXXX).
- 3) Send a copy of the completed and signed form to the FSA carrier by mail or fax.  
**Note:** Failure to send a form to the FSA carrier will result in an employee not receiving reimbursement for an eligible HCSA and/or DCAP expense.
- 4) Enter the HCSA/DCAP and pre-tax fee amounts into your payroll system.
- 5) File a copy of the form in the employee's personnel file. **Do not send forms to the GIC.**

# LEAVE OF ABSENCE

## LEAVE WITH PAY

If an employee is taking an approved Leave of Absence with pay (including sabbaticals and personal leaves), complete the following before the employee takes the leave:

- 1) Complete Insurance Enrollment and Change Form (Form-1) on behalf of the employee, checking the Leave of Absence block and indicating the type of leave. Fill in the start and end date for the leave.
  - 2) Photocopy Insurance Enrollment and Change Form (Form-1) and file in the employee's personnel file.
  - 3) Send the **original** Insurance Enrollment and Change Form (Form-1) to the GIC.
- Employees may not be placed on payroll for one day during a month to collect GIC deductions. As long as the employee continues to receive a regular weekly salary while on leave with pay, the deduction for GIC coverage will continue. If the employee's type of leave changes (for example, FMLA with pay to personal illness without pay) you must notify the GIC of this change. See the **Leave Without Pay** section for instructions.
- 2) Photocopy Insurance Enrollment and Change Form (Form-1) and file in the employee's personnel file.
  - 3) Send the **original** Insurance Enrollment and Change Form (Form-1) to the GIC.
  - 4) You, the employee, the employee's physician and the Agency Head must complete Application to Continue Part Cost Premiums (Form-11). In the case of a personal illness without pay, the employee must exhaust his/her vacation and sick time before Form-11 is submitted.
  - 5) You or the employee sends the completed Form-11 and the agency head's approval letter for the leave to the GIC.
  - 6) The GIC will review the Form-11 and will notify the employee and the agency of the approval/denial.

## LEAVE WITHOUT PAY AT PART COST PREMIUM (The employee share of the full cost premium)

Employees may not be placed on payroll for one day during a month to collect GIC deductions. If an employee is taking an approved leave of absence without pay due to one of these three conditions an application is required.

- ❖ Industrial Accident
  - ❖ Maternity
  - ❖ Personal Illness (employee's illness only)
- Note: the employee is eligible to pay part cost premium if he or she has exhausted his/her sick and vacation time and an Application to Continue Part-Cost Premium (Form-11) has been approved by the GIC.

### To process these leaves:

- 1) Complete and sign Insurance Enrollment and Change Form (Form-1) on behalf of

## LEAVE WITHOUT PAY – APPROVAL OF FORM-11

The GIC's approval of a Form-11 will entitle the employee to pay part cost monthly premiums for his/her GIC coverage up to a maximum period of six months. The approval period is dependent on the employee's illness, the agency's approval period, and physician information. The GIC will direct bill the employee at the part cost premium. This is the amount that is normally deducted from the employee's salary.

If the employee does not return to work before the expiration date of the Form-11 approval, the employee must download and complete another Form-11 for renewal consideration. For renewals:

- 1) The employee, his/her physician, and the Agency Head complete a new Form-11.
- 2) You or the employee sends the completed Form-11 and a new Agency Head approval letter to the GIC.
- 3) You also complete a new Insurance

Enrollment and Change Form (Form-1) on behalf of the employee. Indicate whether the leave is with or without pay, the leave type, the **original** start date and the new end date.

- 4) Photocopy all forms and file them in the employee's personnel file.
- 5) Send the **original** forms to the GIC.

## LEAVE WITHOUT PAY – DENIALS OF FORM-11

If the GIC disapproved the Form-11, the employee will be billed at the full cost premium. If the form is disapproved due to missing information, the employee has 21 days to resubmit the Form 11 with any missing items. If the employee does not return Form-11 with the missing items within the allotted time, the GIC will bill the employee at the full cost premium.

## LEAVE WITHOUT PAY AT FULL COST PREMIUM

If an employee takes an approved *leave without pay* for more than 30 days for the following reasons, the employee can continue GIC coverage by paying 100% of the premium. The GIC will direct bill the employee at his/her home:

- ❖ Educational
- ❖ Family leave to care for a dependent over age 3
- ❖ Sabbatical
- ❖ Personal reasons
- ❖ Employee suspension

### To process these leaves:

- 1) Complete Insurance Enrollment and Change Form (Form-1) on behalf of the employee. Check off the appropriate Leave Type and indicate the start and end date of the leave and the last date on payroll.
- 2) Photocopy the Insurance Enrollment and Change Form (Form-1) and file it in the employee's personnel file.
- 3) Send the **original** Insurance Enrollment and Change Form (Form-1) to the GIC.

## FMLA LEAVE WITHOUT PAY

An employee who is on an approved leave of absence due to the Family Medical Leave Act (FMLA) he/she may continue health and life coverage at their current employee contribution percentage for 12 weeks only. If the FMLA is greater than 12 weeks, the employee is required to pay 100% of the monthly premium. If the employee is on an approved medical leave, he or she may file an Application to Continue Part-Cost Premiums (Form-11). See LEAVE WITHOUT PAY AT PART COST PREMIUM.

### To process an FMLA leave:

- 1) Complete Insurance Enrollment and Change Form (Form-1) on behalf of the employee. Check off the appropriate Leave Type and indicate the start and end date of the leave and the last date on payroll.
- 2) Photocopy the Insurance Enrollment and Change Form (Form-1) and file it in the employee's personnel file.
- 3) Send the **original** Insurance Enrollment and Change Form (Form-1) to the GIC.
- 4) The GIC will bill the employee for his/her share of the monthly premium.

## FMLA MILITARY EXIGENCY LEAVE

An employee who is on an approved leave of absence due to the Family Medical Leave Act (FMLA) military Exigency Leave (e.g., employee's spouse, son, daughter or parent has been notified of call to active duty status with the military) may continue health and life coverage at their current employee contribution percentage for 12 weeks only.

### To process a FMLA Military Exigency Leave:

- 1) Complete Insurance Enrollment and Change Form (Form-1) on behalf of the employee. Check off the appropriate Leave Type and indicate the start and end date of the leave and the last date on payroll.
- 2) Photocopy the Insurance Enrollment and Change Form (Form-1) and file it in the employee's personnel file.
- 3) Send the **original** Insurance Enrollment and Change Form (Form-1) to the GIC.

- 4) The GIC will bill the employee for his/her share of the monthly premium.

## MILITARY CAREGIVER LEAVE

An employee who is on an approved leave of absence as a military caregiver may continue health and life coverage at their current employee contribution percentage for 26 weeks.

### To Process a Military Caregiver Leave:

- 1) Complete Insurance Enrollment and Change Form (Form-1) on behalf of the employee. Check off the appropriate Leave Type and indicate the start and end date of the leave and the last date on payroll.
- 2) Photocopy the Insurance Enrollment and Change Form (Form-1) and file it in the employee's personnel file.
- 3) Send the **original** Insurance Enrollment and Change Form (Form-1) to the GIC.
- 4) The GIC will bill the employee for his or her share of the monthly premium.

## MILITARY LEAVE

Military Members may want to compare their GIC benefits with those offered by the Federal Government to determine whether the Federal Government's coverage will be sufficient for their spouse and/or dependents. An employee with family coverage may want to continue coverage for the benefit of their family. Alternately, an employee who is on leave of absence due to active military service in the United States Armed Forces may drop his or her insurance coverage for the duration of his or her leave of absence. Upon return to active employment, the employee's insurance coverage shall be restored on the same terms as would be in effect if the leave of absence had not occurred.

Employees with GIC coverage taking an unpaid military leave of absence may do one of the following:

- ❖ Cancel all insurance coverage. Upon return, the employee will be reinstated with the same GIC coverage he or she carried immediately prior to the unpaid military leave of absence and may enroll in the GIC health plan of his/her choice effective the first of the following month providing that the Return from Military Leave Process below is followed.
- ❖ Cancel health coverage and retain life insurance only coverage. The monthly premiums for life insurance will be billed and sent to the employee's address on file at the GIC. As long as the monthly premiums are paid, GIC life benefits will continue.
- ❖ Retain GIC health and life benefits. The GIC will direct bill the employee for his or her share of premiums at his or her home address. As long as the monthly premiums are paid, GIC health and life benefits will continue at the employee rate.

### To Process a Military Leave:

- 1) Complete Insurance Enrollment and Change Form (Form-1) on behalf of the employee. Check off the appropriate Leave Type and indicate the start and end date of the leave and the last date on payroll.
- 2) Photocopy the Insurance Enrollment and Change Form (Form-1) and file it in the employee's personnel file.
- 3) Send the **original** Insurance Enrollment and Change Form (Form-1) to the GIC.
- 4) If canceling health insurance coverage, the employee must complete a Health Insurance Responsibility Disclosure (HIRD) form:
  - ❖ Fill in the lowest available monthly employee share of GIC health insurance individual coverage premium using the most current GIC rate sheet.
  - ❖ Verify that the employee has completed the form accurately and completely. If the employee refuses to complete the form, document efforts to obtain the information from the employee.
  - ❖ Retain all HIRD forms for three years and make them available to the Health Connector upon request. **Do not send the form to the GIC.**

## RETURNING TO WORK AFTER A LEAVE OF ABSENCE

When an employee returns to work after a leave of absence, complete the following:

- 1) Complete an Insurance Enrollment and Change Form (Form-1) on behalf of the



employee. Check block 5. If the leave was unpaid, indicate the first date back on payroll.

- 2) Photocopy the form and file it in the employee's personnel file.
- 3) Send the **original** Insurance Enrollment and Change Form (Form-1) to the GIC.
- 4) The GIC will change the employee's payment status from direct bill to payroll deduction.
- 5) Update your payroll system to resume payroll deductions.

**Note:** If the employee is returning from a military leave of absence and wishes to reinstate GIC coverage, attach a copy of the Military Discharge Release. Send this to the GIC with the completed Insurance Enrollment and Change Form (Form-1).

## UNPAID LEAVE OF ABSENCE AND FLEXIBLE SPENDING ACCOUNT BENEFITS (HCSA AND DCAP)

When an employee goes on an unpaid leave of absence there are several options to discuss:

- ❖ The employee may have the deductions for the period of the unpaid leave taken on a pre-tax basis from the last paycheck prior to the leave provided there are sufficient funds. If the employee elects this option, he/she may continue to submit HCSA claims for reimbursement for eligible expenses incurred during the unpaid leave of absence.
- ❖ The employee may choose not to contribute for the pay periods while on unpaid leave of absence. In this case, the employee **will not be reimbursed** for any expenses incurred during the unpaid leave of absence.
- ❖ The employee may elect to continue to contribute to the HCSA account on a pay-as-you-go basis (after-tax). The employee must notify the payroll coordinator and the FSA carrier in order to set up direct payments. The employee will be able to submit eligible claims for reimbursement during the unpaid leave of absence. There is no tax benefit to this option.
- ❖ **Returning from an unpaid leave of absence is not a qualifying event to terminate the**

**HCSA account.** If the employee returns to the payroll during the Plan Year there are several options: a) The employee may continue with the **original** annual election with payroll deductions recalculated for the remainder of the year; or b) The employee can also choose to lower the election to the amount contributed as long as he/she has not spent more than was contributed to the account. For example: If the employee elected \$2,000 as the HCSA goal amount and had payroll deductions of \$1,000 before the unpaid leave, if the employee did not exceed \$1,000 in expenses the employee can lower the goal amount to \$1,000 for the remainder of the year. However, if the employee used more than the \$1,000 contribution, for example \$1,500, then the employee can only lower the goal amount to \$1,500 for the remainder of the year.

- ❖ DCAP claims will only be reimbursed based on the funds in the account and cannot be used for dates of service while on an unpaid leave of absence. If the employee returns to the payroll during the Plan Year, he/she can adjust the election to the payrolls already posted to the account or continue with the goal amount originally elected recalculated over the remainder of the pay periods.
- ❖ If the leave of absence goes into the next plan year, the employee is not eligible to enroll in the new plan year until he/she returns to work.
- ❖ **Very Important:** If the employee does not elect to prepay the HCSA pre-tax deductions or make direct payments (pay-as-you-go), expenses incurred during the unpaid leave of absence will not be eligible for reimbursement from future deposits made to the account.

### To process an unpaid leave of absence:

- 1) Complete GIC Offline Payroll Deduction Report Change Form.
- 2) Send the GIC Offline Payroll Deduction Report Change Form to the FSA carrier.
- 3) File a copy of the form in the employee's personnel file. **Do not send the form to the GIC.**

# TERMINATION FROM STATE SERVICE

## COVERAGE END DATES AND PROCEDURES

Advise any employee leaving state service of the following GIC coverage end dates:

Date employment ends	GIC coverage end date
January 1-31	February 28
February 1-29	March 31
March 1-31	April 30
April 1-30	May 31
May 1-31	June 30
June 1-30	July 31
July 1-31	August 31
August 1-31	September 30
September 1-30	October 31
October 1-31	November 30
November 1-30	December 31
December 1-31	January 31

You are responsible for collecting the employee's share of GIC premiums through the coverage end date.

### To process a termination from state service:

All persons leaving state service must be given a copy of the COBRA Notice at the time of their leaving state service.

All agencies must advise employees leaving state service of their right to continue group insurance coverage. When an employee advises you that he or she is leaving state service:

- 1) Advise the employee that his/her coverage (health, dental/vision, life and Long Term Disability) ends at the end of the month following the month the employee ends state service. You are responsible for collecting the employee's share of GIC premiums through the coverage end date.
- 2) Complete Insurance Enrollment and Change Form (Form-1) on behalf of the employee. Check termination box 9. For the termination reason, enter "leaving state service". For the termination date, enter the last day of work (excluding vacation time).

- 3) Photocopy the completed Insurance Enrollment and Change Form (Form-1) and file it in the employee's personnel file.
- 4) Send the **original** Insurance Enrollment and Change Form (Form-1) to the GIC.

The employee may continue life insurance coverage at the same group rate under the portability option, unless he or she is retiring. The GIC's life insurance carrier will contact employees leaving state service directly with this information.

The employee's health options depend on his or her age and length of state service. See the corresponding options and procedures below. Options are listed in order of recommended selection.

## BENEFIT OPTIONS: NOT ELIGIBLE FOR RETIREMENT

### Option 1: Keep GIC health coverage only under COBRA

**Benefit:** Allows the employee to stay in the same plan with the same group rate

**Drawback:** Employee pays 100% of the premium **plus** 2% for administration (no Commonwealth contribution). Maximum coverage length – 18 months.

**Procedure:** If the employee elects COBRA, check the COBRA block on Insurance Enrollment and Change Form (Form-1) before sending it to the GIC. Give the employee a COBRA application (available on the GIC's website.) Advise the employee that although he/she has 60 days to elect COBRA coverage, the coverage is effective the first day of the month following the coverage end date. The longer the employee waits to send in the application, the more he/she will owe in retroactive premiums. Instruct the employee to complete and send the COBRA application directly to the GIC.



### Option 2: Continue basic life and/or optional life coverage under portability option

**Procedure:** Let the employee know that the GIC will advise its life insurance carrier that the employee has left state service and that the life insurance carrier will send portability information and an application in the mail to the employee's home. Time limits apply. See the Life Insurance booklet on the Basic and Optional Life Insurance overview section of our website ([www.mass.gov/gic/life](http://www.mass.gov/gic/life)) for details.

### Option 3: Health Connector coverage for Massachusetts residents

**Benefit:** A choice of health insurance options with different benefits and prices. Depending on which plan you choose, your monthly premium with the Health Connector could be lower than other coverage options. Unlike COBRA coverage, Health Connector coverage does not have a maximum coverage period; you can continue coverage as long as you pay your premiums on time.

**Drawback:** Benefits may not be the same as the coverage you had through the GIC. If the employee enrolls in Health Connector coverage, he/she is waiving his/her right to elect health insurance under the GIC's COBRA or conversion options.

**Procedure:** Instruct the employee to contact the Health Connector for information and enrollment: [MAhealthconnector.org](http://MAhealthconnector.org); 1-877-623-6765

### Option 4: Convert to Non-Group health with current plan(s)

**Benefit:** Can keep coverage beyond 18 months.

**Drawback:** Benefits almost always less comprehensive than GIC plan coverage.

**Procedure:** Check non-group conversion on Insurance Enrollment and Change Form (Form-1) before sending it to the GIC. Instruct the employee to contact their health plan for a non-group conversion application, benefit changes, procedures and costs.

### Option 5: Convert to Non-Group life insurance with current plan

**Benefit:** Ability to continue life insurance coverage.

**Drawback:** Benefits almost always less comprehensive than GIC plan coverage.

**Procedure:** Let the employee know that the GIC will notify its life insurance carrier that the employee has left state service; the carrier will mail a conversion package to the employee's home. Time limits apply. See the Life Insurance booklet on the Basic and Optional Life Insurance overview section of our website ([www.mass.gov/gic/life](http://www.mass.gov/gic/life)) for details.

## BENEFIT OPTIONS: DEFERRED RETIREMENT

Instruct the employee to contact their retirement board to confirm retirement eligibility.

If the employee is vested, but not yet eligible for, or chooses not to collect their monthly pension, we recommend that the employee elect Deferred Retirement. Under this option, the employee must keep his/her money in the retirement system until he/she retires. If the employee will not receive health coverage elsewhere, he or she can elect to keep basic life and health coverage at the full cost premium until retirement. When the employee applies for their pension (at retirement) he or she should notify the GIC in order to pick up basic life and health coverage.

### Deferred Retirement Coverage:

Advise the employee that he/she has two health and life options under Deferred Retirement:

- 1) Keep basic life insurance, paying 100% of the premium as a deferred retiree. Get health coverage elsewhere until retirement. Resume GIC health coverage at retirement. At retirement, the Commonwealth will contribute the prevailing contribution percentage for retirees.

**Procedure:** Instruct the employee to check the deferred retirement block on the Insurance

Enrollment and Change Form (Form-1), checking basic life insurance and signing it before sending it to the GIC.

- 2) Keep basic life and health insurance, paying 100% of the premium until retirement. Advise the employee that if he or she gets health coverage elsewhere before retirement, the GIC suggests that the employee continue to keep basic life insurance.

**Procedure:** Instruct the employee to check the Deferred Retirement block on the Insurance Enrollment and Change Form (Form-1), indicate his/her life and health selection and sign it before sending it to the GIC.

For the other alternatives, see the benefits, draw-backs, and procedures for **NOT ELIGIBLE FOR RETIREMENT**.

## RETIREMENT

If the employee wishes to retire and collect a monthly pension, see the RETIREMENT Section for procedures.

## FLEXIBLE SPENDING ACCOUNTS (HCSA AND DCAP)

If an employee leaves state service during the Plan Year whether he/she resigns, retires or involuntarily separates, participation in HCSA and DCAP will terminate as of midnight the day of termination. The employee will be able to submit claims for eligible health care expenses incurred on or before the last day of active employment. In order for the employee to use the HCSA account after terminating state service, the employee may elect to contribute to the HCSA account under COBRA by making direct payments on an after-tax basis.

**DCAP:** The employee may file claims for eligible dependent care expenses against the account balance until the account is exhausted. They will not be reimbursed in excess of what they have

contributed to the plan at that time. Claims can be filed with dates of service through the end of the Plan Year. The FSA carrier must receive all completed claims by April 15.

### To process a termination from state service for an employee with Flexible Spending Account Benefit:

- 1) Complete GIC Offline Payroll Deduction Report Change Form.
- 2) Send the GIC Offline Payroll Deduction Report Change Form to the FSA carrier.
- 3) File a copy of the form in the employee's personnel file. **Do not send the form to the GIC.**

### To process a HCSA COBRA application:

- 1) HCSA/COBRA: Give the employee the Health Care Spending Account Continuation Coverage Under COBRA General Notice and Election Form and the COBRA Acknowledgement Form for you and the employee to sign and date.
- 2) File the COBRA Acknowledgement Form in the employee's personnel file. **Do not send the form to the GIC or the FSA carrier.**
- 3) The employee must send the Election Form to the FSA carrier within 60 calendar days from the date of their COBRA Notice.
- 4) The carrier will determine eligibility and notify the employee either by mail or email.
- 5) The FSA carrier will provide COBRA payment information. The amount to the employee will include a 2% administrative fee.

# LAYOFF FROM STATE SERVICE

## COVERAGE END DATES AND PROCEDURES

Advise any employee who is laid off of the following GIC coverage end dates:

Date employment ends	GIC coverage end date
January 1-31	February 28
February 1-29	March 31
March 1-31	April 30
April 1-30	May 31
May 1-31	June 30
June 1-30	July 31
July 1-31	August 31
August 1-31	September 30
September 1-30	October 31
October 1-31	November 30
November 1-30	December 31
December 1-31	January 31

You are responsible for collecting the employee's share of GIC premiums through the coverage end date.

### To process a layoff:

When an employee is laid off, agencies must advise the employee of their right to continue group insurance coverage. All persons terminating state service must be given a copy of the COBRA notice at the time of their leaving state service.

When an employee is laid off:

- 1) Advise the employee that coverage (health, dental/vision, life, HCSA, and Long Term Disability) ends at the end of the month following the month the employee ends state service. You are responsible for collecting the employee's share of GIC premiums through the coverage end date.
- 2) Complete Insurance Enrollment and Change Form (Form-1) on behalf of the employee. Check termination box 9. For the termination reason, enter "layoff". For the termination date, enter the last day of work.
- 3) Photocopy the completed Insurance

Enrollment and Change Form (Form-1) and file it in the employee's personnel file.

- 4) Send the **original** Insurance Enrollment and Change Form (Form-1) to the GIC.

The employee's health options depend on his or her age and length of state service. See the corresponding options and procedures below. Options are listed in order of recommended selection.

## BENEFIT OPTIONS FOR LAYOFF: NOT ELIGIBLE FOR RETIREMENT

### Option 1: Keep GIC health and life coverage for 39-weeks

**Benefit:** Allows the employee to stay in the same health and life plan with the same group benefit

**Drawback:** Employee pays 100% of the premium (no Commonwealth contribution). At the end of the 39-weeks, the former employee can switch to COBRA for the remaining 9 months of health coverage, for a total of 18 months coverage. The employee can elect non-group conversion for their life coverage.

**Procedure:** If the employee elects 39-week coverage, have the employee check the 39-week coverage block on Insurance Enrollment and Change Form (Form-1) and indicate his/her life and health selections and sign it before sending the form to the GIC.

### Option 2: Keep GIC health coverage only under COBRA

**Benefit:** Allows the employee to stay in the same plan with the same group benefit.

**Drawback:** Employee pays 100% of the full-cost premium plus 2% for administration (no Commonwealth contribution). Maximum coverage length – 18 months.

**Procedure:** If the employee elects COBRA, complete the following:

- 1) Check the COBRA block on Insurance Enrollment and Change Form (Form-1).
- 2) Photocopy the Insurance Enrollment and

Change Form (Form-1) and file in the employee's personnel file.

- 3) Send **original** Insurance Enrollment and Change Form (Form-1) to the GIC.
- 4) Give the employee a COBRA application (available on the GIC's website). Let the employee know that he/she will also receive a COBRA application at home. Advise the employee that although he/she has 60 days to elect COBRA coverage, the coverage is effective the first day of the month following the coverage end date. The longer the employee waits to send in the application, the more he/she will owe in retroactive premiums. Instruct the employee to complete and send the COBRA application to the GIC.

### **Option 3: Continue Basic Life and/or Optional Life coverage under portability option**

**Benefit:** Continue life insurance at a competitive rate.

**Drawback:** Life insurance only coverage.

**Procedure:** Let the employee know that the GIC will notify its life insurance carrier that the employee has left state service; the life insurance carrier will send portability information and an application in the mail to the employee's home. Time limits apply. See the Life Insurance booklet on the Basic and Optional Life Insurance overview section of our website ([www.mass.gov/gic/life](http://www.mass.gov/gic/life)) for details.

### **Option 4: Health Connector coverage for Massachusetts residents**

**Benefit:** A choice of health insurance options with different benefits and prices. Depending on which plan you choose, your monthly premium with the Health Connector could be lower than other coverage options. Unlike COBRA coverage, Health Connector coverage does not have a maximum coverage period; you can continue coverage as long as you pay your premiums on time.

**Drawback:** Benefits may not be the same as the coverage you had through the GIC. If the employee enrolls in Health Connector coverage, he/she is waiving his/her right to elect health insurance under the GIC's COBRA or conversion options.

**Procedure:** Instruct the employee to contact the Health Connector for information and enrollment: [MAhealthconnector.org](http://MAhealthconnector.org); 1-877-623-6765

### **Option 5: Convert to Non-Group health and/or life coverage with current plan(s)**

**Benefit:** Can keep coverage beyond 18 months.

**Drawback:** Benefits almost always less comprehensive than GIC plan coverage.

#### **Procedure:**

- 1) Check non-group conversion on Insurance Enrollment and Change Form (Form-1) before sending it to the GIC.
- 2) Instruct the employee to contact their health plan for a non-group conversion application, benefit changes, procedures and costs.
- 3) The GIC will notify its life insurance carrier of the layoff; the carrier will send the employee a conversion package. Time limits apply. See the Life Insurance booklet on the Basic and Optional Life Insurance overview section of our website ([www.mass.gov/gic/life](http://www.mass.gov/gic/life)) for details.

## **BENEFIT OPTIONS FOR LAYOFF: DEFERRED RETIREMENT**

Instruct the employee to contact their retirement board to confirm retirement eligibility. If the employee is vested, but not yet eligible for, or chooses not to collect their monthly pension, we recommend that the employee elect Deferred Retirement coverage. Under this option, the employee must keep his/her money in the retirement system until he/she retires. If the employee will not receive health coverage elsewhere, he/she can elect to keep health and life coverage at the full cost premium until retirement. When the employee applies for their pension (at retirement) he/she should notify the GIC in order to pick up basic life and health coverage.

**Deferred Retiree Coverage:** Advise the employee that he/she has two health and life options under Deferred Retirement.

- 1) Keep life insurance paying 100% of the premium as a Deferred Retiree. Get health coverage elsewhere until retirement.

Resume GIC health coverage at retirement. At retirement, the Commonwealth will contribute the prevailing contribution percentage for retirees.

**Procedure:** Instruct the employee to check the Deferred Retiree block on the Insurance Enrollment and Change Form (Form-1), indicate his/her life selections and sign it before sending the form to the GIC.

- 2) Keep life and health insurance paying 100% of the premium until retirement. Advise the employee that if he or she gets coverage elsewhere before retirement, he/she may cancel health coverage, but the GIC recommends that the employee keep basic life insurance.

**Procedure:** Instruct the employee to check the deferred retiree block on Insurance Enrollment and Change Form (Form-1), indicate his/her life and health selection and sign it before sending it to the GIC.

For the other alternatives, see the benefits, drawbacks, and procedures under **NOT ELIGIBLE FOR RETIREMENT**.

## RETIREMENT

If the employee wishes to retire and collect a monthly pension, see the RETIREMENT Section for procedures.

## FLEXIBLE SPENDING ACCOUNTS (HCSA AND DCAP)

If an employee leaves state service during the Plan Year whether he/she resigns, retires or involuntarily separates, participation in HCSA and DCAP will terminate as of midnight the day of termination. The employee will be able to submit claims for eligible health care expenses incurred on or before the last day of active employment. In order for the employee to use the HCSA account after terminating state service, the employee may elect to contribute to the HCSA account under COBRA by making direct payments on an after-tax basis.

**DCAP:** The employee may file claims for eligible dependent care expenses against the account balance until the account is exhausted. They will not be reimbursed in excess of what they have contributed to the plan at that time. Claims can be filed with dates of service through the end of the Plan Year. The FSA carrier must receive all completed claims by April 15.

### To Process a Layoff for an Employee with Flexible Spending Account Benefits:

- 1) Complete GIC Offline Payroll Deduction Report Change Form.
- 2) Send the GIC Offline Payroll Deduction Report Change Form to the FSA carrier
- 3) File a copy of the form in the employee's personnel file. **Do not send the form to the GIC.**

### To process a HCSA COBRA application:

- 1) HCSA/COBRA: Give the employee the Health Care Spending Account Continuation Coverage Under COBRA General Notice and Election Form and the COBRA Acknowledgement Form for you and the employee to sign and date.
- 2) File the COBRA Acknowledgement Form in the employee's personnel file. **Do not send the form to the GIC or the FSA carrier.**
- 3) The employee must send the Election Form to the FSA carrier within 60 calendar days from the date of their COBRA Notice.
- 4) The FSA carrier will determine eligibility and notify the employee either by mail or email.
- 5) The FSA carrier will provide COBRA payment information. The amount to the employee will include a 2% administrative fee.



# RETIREMENT

## ELIGIBILITY AND PROCEDURES

Ensure that the employee has confirmed his/her retirement eligibility with his/her retirement board and applies for retirement benefits. To continue GIC life and health or retiree dental benefits as a retiree, the retiree must be eligible for and receiving a monthly pension. If the retiree becomes no longer eligible to receive a retirement or pension allowance from a GIC participating retirement system, he/she will no longer be eligible for any GIC benefits.

### To process a retirement:

- 1) Refer the retiring employee to the GIC's website for the *Retiree/Survivor Benefit Decision Guide* or have the retiring employee contact the GIC to get a guide mailed to him/her. Also instruct the retiring employee to read the frequently asked questions for retirement on our website: [www.mass.gov/gic/faqs](http://www.mass.gov/gic/faqs).
- 2) On the Insurance Enrollment and Change Form (Form-1) check box 6 (Retirement). Indicate the date of retirement and instruct the retiring employee to review his or her health and life benefits.
- 3) Review Insurance Enrollment and Change Form (Form-1) for completeness and sign it.
- 4) Photocopy Insurance Enrollment and Change Form (Form-1) and file in the retiring employee's personnel file.
- 5) Send the **original** Insurance Enrollment and Change Form (Form-1) to the GIC.
- 6) Stop the GIC deductions in your payroll system.
- 7) If the retiring employee and/or his/her spouse is age 65 or over, instruct the retiree and/or his/her spouse to go to Social Security to find out about their Medicare eligibility. If eligible for Part A for free, the retiree and/or spouse must enroll in Medicare Part A and Part B. Be sure the retiring employee indicates their Medicare plan choice in the retirement section of the Insurance

Enrollment and Change Form (Form-1) with the date of retirement.

Advise the retiring employee that the GIC will direct bill him/her for the premium until the GIC can arrange to have premiums deducted from their pension, usually in three or four months.

## CHANGING HEALTH PLANS AT RETIREMENT

At retirement, an employee with GIC health coverage may change his/her health plans.

- 1) Instruct the retiring employee to indicate changes on Insurance Enrollment and Change Form (Form-1) and sign it.
- 2) Review the forms for completeness and sign.
- 3) Photocopy the forms and file them in the retiring employee's personnel file.
- 4) Send the **original** forms to the GIC
- 5) The GIC will determine the effective date of the change and notify the retiree.

## ENROLLING IN A HEALTH PLAN AT RETIREMENT

If an employee is retiring and does not have GIC coverage, he/she may enroll in GIC coverage. However, he/she cannot enroll until he/she is actually receiving a retirement allowance or pension. You, the Coordinator, can assist the new retiree with enrollment, or can direct him/her to the GIC. To process:

- 1) The retiring employee completes and signs the following forms:
  - ❖ Insurance Enrollment and Change Form (Form-1).
  - ❖ Beneficiary Designation Form 319 for basic life insurance (one to three beneficiaries) or G-500 (four or more beneficiaries or special designations such as estate or trust).
  - ❖ Insurance Data Form (IDF) for family coverage. Must also provide:
    - ◆ For spousal coverage – copy of marriage certificate.

- ◆ For dependent coverage under age 19 – copy of birth certificate(s). The birth certificate must show parent-child relationship to the insured or his/her spouse.
  - ◆ For dependent coverage age 19 to 26 – Dependent Age 19 to 26 Form and a copy of birth certificate. The birth certificate must show the parent-child relationship to the insured or his/her spouse.
  - ◆ For former spouse – provide following sections of the legal separation or divorce decree: page with absolute date, health insurance language, signature pages, and former spouse's address.
- 2) Obtain from the retiring employee a letter from their retirement board indicating that the retirement has been approved and the effective date of retirement.
  - 3) Verify that the forms above are completed accurately and completely. Ensure that both you and the retiring employee have signed and dated all forms.
  - 4) Photocopy completed GIC forms and the letter from the retirement board and file them in the retiring employee's personnel file.
  - 5) Send **original** signed forms and a copy of the retirement board letter to the GIC. The GIC will determine the effective date of coverage and will notify the retiree. we also require a letter from the offline retirement board indicating that retirement has been approved and the official date of retirement.

## OPTIONAL LIFE INSURANCE

If the employee who is retiring has optional life insurance coverage, instruct him/her to review it and the rate chart (available on our website). The cost increases with age and at retirement. **If the retiree makes no change to his/her optional life coverage, he or she will be responsible for the retiree optional life insurance premium, which can be substantial.**

The retiree may decrease or cancel their optional life insurance coverage. To do so, he/she must complete Section 2 of Insurance Enrollment and

Change Form (Form-1) before submitting it to the GIC.

If the retiree decides to cancel or decrease his/her optional life insurance coverage at a later date, he/she must contact the GIC in writing, or by downloading the Insurance Enrollment and Change Form (Form-1) from our website, completing and sending it directly to the GIC. The effective date of the cancellation/decrease is the first of the second month following receipt of the retiree's request.

## LONG TERM DISABILITY

Advise the employee/retiree that Long Term Disability coverage automatically ends at retirement. You do not need to do anything.

## GIC DENTAL/VISION AND RETIREE DENTAL

If the employee had the GIC Dental/Vision coverage, let the retiree know the following:

- ◆ Advise the employee/retiree that GIC Dental/Vision coverage automatically ends at retirement.
- ◆ The GIC recommends that the retiring employee compare the benefits of continuing Dental/Vision under COBRA, paying 102% of the premium, with the GIC Retiree Dental Plan benefits.

If electing COBRA Dental/Vision, instruct the retiring employee to complete and send to the GIC the COBRA Dental/Vision form, located on our website. Coverage is limited to eighteen months. At that time, the retiree may elect to enroll in the GIC Retiree Dental Plan.

If electing GIC Retiree Dental, the retiring employee completes and sends to the GIC the GIC Retiree Dental Application, located on our website. Advise the retiree that once enrolled, if he/she drops coverage, he/she may never re-enroll. If the retiring employee does not enroll in the plan at retirement, he/she may only enroll during the GIC's spring Annual Enrollment period or with proof of involuntary loss of other dental coverage.



## FLEXIBLE SPENDING ACCOUNTS (HCSA AND DCAP)

If an employee leaves state service during the Plan Year whether he/she resigns, retires or involuntarily separates, participation in HCSA and DCAP will terminate as of midnight the day of termination. The employee will be able to submit claims for eligible health care expenses incurred on or before the last day of active employment. In order for the employee to use the HCSA account after terminating state service, the employee may elect to contribute to the HCSA account under COBRA by making direct payments on an after-tax basis.

**DCAP:** The employee may file claims for eligible dependent care expenses against the account balance until the account is exhausted. They will not be reimbursed in excess of what they have contributed to the plan at that time. Claims can be filed with dates of service through the end of the Plan Year. The FSA carrier must receive all completed claims by April 15.

### To Process a Retirement for an Employee with Flexible Spending Account Benefits:

- 1) Complete GIC Offline Payroll Deduction Report Change Form.
- 2) Send the GIC Offline Payroll Deduction Report Change Form to the FSA carrier
- 3) File a copy of the form in the employee's personnel file. **Do not send the form to the GIC.**

### To process a HCSA COBRA application:

- 1) HCSA/COBRA: Give the employee the Health Care Spending Account Continuation Coverage Under COBRA General Notice and Election Form and the COBRA Acknowledgement Form for you and the employee to sign and date.
- 2) File the COBRA Acknowledgement Form in the employee's personnel file. **Do not send the form to the GIC or the FSA carrier.**

- 3) The employee must send the Election Form to the FSA carrier within 60 calendar days from the date of their COBRA Notice.
- 4) The FSA carrier will determine eligibility and notify the employee either by mail or email.
- 5) The FSA carrier will provide COBRA payment information. The amount to the employee will include a 2% administrative fee.

# AGENCY CONTACT INFORMATION AND REPORTS

## GIC COORDINATOR, AGENCY HEAD, OR ADDRESS CHANGE

Please be sure to notify the GIC of GIC Coordinator and Agency Head name, e-mail, and/or address changes. This will ensure that the agency continues to receive GIC materials and updates. Call or send an email to Winnie Yee in the GIC Operations Department (winnie.yee@gic.state.ma.us; 617.727.2310 ext. 7061) with these changes.

The GIC sends all GIC Coordinators the following reports on a monthly basis. Be sure to follow the following procedures:

### Monthly Insurance Acknowledgement Report (MIAR) – Summary and Full File

These reports are an alphabetical list of employees by agency, who are insured with the Group Insurance Commission for the Basic Life, Health, and Optional Life Insurance coverage.

You may receive up to six monthly insurance billing reports:

- ❖ Health and Life coverage for employees on deduction and/or direct bill
- ❖ Dental/Vision for employees on deduction and/or direct bill
- ❖ LTD for employees on deduction and/or direct bill

Each month, review and verify the following information shown on the report (both sections for Payroll Deduction and Direct Billed):

- ❖ Names for all insureds should agree with your agency's records.
- ❖ Coverage for each insured should agree with your agency's records.
- ❖ The premium due for each insured should agree with your agency's records.

## AGENCY HAS DISCREPANCIES

- 1) If the Monthly Insurance Billing Report contains incorrect GIC-ID numbers, names, coverage, or premium due GIC, indicate these discrepancies on the Statement of Verification (discrepancy report) with the following information:
  - ❖ The agency/division number (as it appears on the report)
  - ❖ The premium due month
  - ❖ Check off box "Discrepancies are as listed"
  - ❖ Employee's ID number as it appears on the report – (EMPL – ID)
  - ❖ Employee's name (last, first, middle initial)
  - ❖ Premium Amount (see premium reconciliation procedure)
  - ❖ Explanation of discrepancy:
    - ◆ Briefly describe the discrepancy.
    - ◆ Include the date and reason for all terminations of insurance coverage.
    - ◆ Include the retirement date for an employee who has retired.
    - ◆ For an employee who is on a leave of absence without pay, include the duration of leave (with start and end dates) and reason for leave.
  - ❖ Signature of Authorized Official and Date
- 2) Photocopy the Statement of Verification for your agency file.
- 3) Send the **original** Statement of Verification to the Group Insurance Commission by the date requested.

## AGENCY DOES NOT HAVE DISCREPANCIES

- 1) If the Monthly Insurance Billing Report contains no discrepancies, send the Statement of Verification (discrepancy report) to the Group Insurance Commission with the following information:
  - ❖ The agency/division number
  - ❖ The premium due month
  - ❖ Check off box “Agency has no discrepancies”
  - ❖ Signature of Authorized Official and Date
- 2) Photocopy the Statement of Verification for your agency file.
- 3) Send the **original** Statement of Verification to the Group Insurance Commission by the date requested.